

Mason Gaffney

For RSF Appropriations Committee, June 8, 2002.

NOTE 1: This outline could be annotated further, at length, but seems long enough already, perhaps too long, for the present purposes of the Committee.

NOTE 2: My header will not appear on hard copies, except for the bare page number. I am new to WORD, and have a bit to learn yet.

INTRO:

A. Explain title, concept of ATCOR.

B. Cite many nations and cities that raise large revenues from land. with lots left over: HK, Taiwan, many Australian and New Zealand cities, mineral-rich nations, states and provinces, many S. African cities, etc. (some details in Appendixes.)

C. Cite cases where annual rise or fall of values is big fraction of N.I. (Norway oil, Getty oil with RRA, Kavanagh on Australia, Japan's bubble, etc.).

D. Explain sequence of exposition, as below.

I. Rents and land values in a taxed economy, as they are today, after effects of taxes, tax shifting, and excess burdens.

A. Land values today equal or exceed improvement values in the U.S. and some other areas with data. This is in spite of all the taxes levied on capital, labor and exchange, which act to depress land values.

Appendixes: Data from California; B.C.; Milwaukee; U.S. Census of Govts.; Australia; NH; U.S. Census of Agric.; etc.

Consumer budget studies showing high fraction of incomes spent on shelter.

B. False Measurements: How conventional thinking and practice trivialize land rent and values.

1. Narrowing meaning of "land" to farmland.

2. Erroneous and careless trivializations: Lincoln Foundation (Kurnow, Solow), Mills and Hamilton, Nat. Bureau (Goldsmith), Schultz, Herfindahl. Some of these have given no serious study to the matter, and have ignored those who have, yet

2

have used their authority to originate or pass on misinformation.  
In any other field, this would be reproached as irresponsible.  
In this field, there has been no resistance, and much support.

3. Underassessment of land value,

a. Misdefining land value.

- making land the "residual,"
- understating depreciation; ignoring obsolescence;
- focusing on bid prices, ignoring asking prices;
- Net result: arrogating land value to building value;
- Revelation of result: buildings have most assessed value even on eve of demolition, when they are worthless

b. Granting low assessments based on current use; or current restrictive zoning; or historical cost; or capitalized cash income. De facto and de jure; special and general.

c. Treating "acreage" like farmland, regardless of location.

d. Net result of a, b, and c: Glaring excess of condemnation values over assessed values; extreme double standard, betraying heavy bias.

e. Tax-exempt land and resource holdings; eleemosynary; nature conservancy (compensated by public access); cemeteries; governmental; ...

f. Divorce of tax base from tax needs. Tax-favored land in low-tax enclaves that zone out population, and school-children. Creates appearance of tax stress by parading the poor jurisdictions.

g. Omitting option value of favorable zoning until it is exercised. (Counterpart of something above?)

h. Omitting value of grandfather privileges of old buildings (being a special privilege, these are either a form of land, or have the same characteristics)

i. land outside all taxing jurisdictions;

4. Overlooking noncash and other less obvious and less easily measurable non-standard values of land. (These are reclusive and obscure only to those unfamiliar with valuing real estate. Unfortunately this number includes most practicing economists, who depend on published data bases.)

- a. Amenity values: rural, sylvan, montane, riparian, etc. (Appendix - data on California counties);
  - b. mineral prospect value,
  - c. special claim on water resources;
  - d. ROW value;
  - e. ostentation value (cf. "q" below);
  - f. nostalgic and atavistic value;
  - g. military use value;
  - h. privacy and concealment values;
  - i. option value for conversion to other use;
  - j. store of value without turnover or upkeep;
- infinite scope for auri sacra fames
  - k. inflation hedge
  - l. surplus for contingencies
  - m. dynastic value
  - n. land as site to gather info, e.g. underground maps; professional and social gossip; etc.
  - o. land for market power: defensive vertical integration; excluding competitors; dodging unions, host cities; contingent future needs, e.g. expansion in place; providing free parking; preemptive value
  - p. land for assembly, or to block others' assembly
- standing:
  - q. value of social and political and legal
    - Land for political influence, entertaining the powerful;
    - status: the + feedback loop of ostentation, parade of riches;
    - standing in court, to influence adjoining land uses;
    - social standing;
    - right to vote and hold office, some jurisdictions.
    - list of the Earl of Derby.

The above values are mostly invisible from a narrow cashflow perspective, but are reflected in land prices. The taxable surplus, land rent, includes them (although taxing it may deflate some of them).

5. NIPA elimination of rent by use of transparently false measurements

6. Failure to pierce the corporate veil.

- a. Treating corporate paper as having intrinsic value
  - b. Carrying land at historical cost

- c. Data on corporate land and resource holdings
- d. Aggregate value of corporate shares
- e. Failure of high stock prices to attract net new capital

- f. High taxable surplus in corporate income, demonstrated in former years (when rates were higher, and corporations poorer).

7. Valuing ROWs in lower uses; putting no value on result of using eminent domain. Belied by high holdout prices and condemnation values.

8. Excluding extraterritorial ventures with flag protection and subsidy. ocean shipping; oil and mineral concessions and ROWs; plantations, aided by World Bank financing and USMC protection; aircraft landing privileges; use of spectrum engineered through ITU; etc.

Potentially, this should not be limited to holdings of U.S. nationals. The U.S. has used its many instruments of force and persuasion to uphold ALL land tenures in nations around the world, failing only in a few places like Viet Nam, North Korea, and Cuba - but still trying.

The U.S. also serves American lenders abroad as a backup enforcement agency. Just how this rent should be measured and collected is outside the present scope, but is well worth thinking about.

9. Maladministration of public lands and waters, earning no return on the lands and waters, obscuring their high values. (Public ports; Nat. Forests; State-owned Enterprises (SOEs) in o&g; sweetheart leases; vanity airports; military bases; campuses; overly-landed parks; overly-landed streets, highways; water giveaways (see C,2).

10. Excluding de facto tenures (sometimes precarious) without formal titles; failing to look beyond conventional platted lots and surveyed acres of land surface.

- a. favorable leaseholds
  - b. possessory interests on public lands
  - c. equities created by rent control
  - d. licenses, quotas, et al. (xref. C,3 and C,5)
11. Dissipation of rent: x-subsidy, open access,

12. Universalizing rent to make everything equally taxable. This idea rose to prominence with Clark, Fetter, Edgeworth, Pareto, Ely, Knight, Johnson, et al. Their views are now found in many modern writing on economics e.g. Barry Bracewell-Milnes (\altb\mtrls\varietys\overview file). They made rent meaningless by inflating it to universality. This backfired by making everything a taxable surplus: the world has suffered from this, and is trying to turn away from it now - but governments cling hard to their broad tax powers.

Backhaus (Appendix) shows how many "other rents" may be construed as forms of land rent. Xref also I,B,4,a-q above.

13. Cash-flow bias, a silent assumption in much thinking, thus hiding the ff:

a. The true o.c. rent of land that is held in less than its highest and best use. The true rent is the o.c., regardless of current use. In this sense, idle land yields as much rent as the same land in full use. It is the logical outcome of taxing imputed income.

b. Imputed rent, including most of I,B,4,a-q above. Reprise or xref adjustments made to get from Calif. assessments to true land values.

c. Unrealized gains

14. Overlooking strata values, e.g. air rights over railyards and freeways.

15. Conditional tenures whose conditions are not enforced. E.g. rails not carrying mails and troops free.

16. Reserved powers when land is sold or leased: covenants, restrictions, tie-ins, ...

17. Omitting price increments from the definition and measurement of rent. Xref II, below.

18. Escape of land rent from base of income tax.

C. Resource rents: the major, the minor, and the huge aggregate. (Overlap among classes is minimized, and, where unavoidable, is indicated by "xref.")

The Major:

1. Major energy sources:

a. hydrocarbons,

Davidson, et al. High fraction of rent shown by Kahn,  
Appreciation as a form of rent, on top of  
unit-of-production charge.  
High degree of immunity to present income tax  
(Appendix)  
Floating value of mineral-prone lands.  
Enormous revenue potential in Russia shown by  
L'vov.

Recap Intro, B.

b. uranium,

c. hydro

High Canadian revenues therefrom.

2. Minerals: hardrock, sulfur, sand, clay and gravel,  
misc.

3. Fresh water and adjunct resources

a. Licenses to withdraw (farming, domestic,  
industrial uses); b. Aquifers and recharge beds; c. Dam and  
reservoir sites; d. Power drops (xref B,18); e. Fish,  
waterfowl, other wildlife (value of quotas); f. Scenic use (from  
bays to tarns to waterfalls); g. ROW, navigation servitude and  
priority and exemption from liability; h. Riparian values (also  
apply to salt water): Beaches, foreshores, water lots, frontage  
on water, access to water, views, fresh air; i. Eminent domain  
for access to divert and "wheel" water; j. watersheds (water  
blotters, for storage and regulation of flow); k. (Formerly)  
source of precious ice; l. Recreation use (flatwater,  
whitewater); m. Salinity repulsion;

4. Timberlands

a. Vast area

b. Value for growing wood

c. "Compatible uses" (Appendix)

d. "Incompatible uses"

e. Legislated undervaluation (Appendix)

f. Stored-up rent in old trees, never taxed

5. Radio spectrum;

a. Uses of spectrum (radio, TV, cellular phones, telephones, satellite linkages, fax, email, internet, unknown future forms of communication, etc.)

b. Territorial nature of assignments; differing location values

c. Past giveaway policy. Resulting "rent-seeking," dissipation of some rents. Current shucking of public service obligations, regulatory control.

d. Concentration

e. ancillary sites, orbits

f. Some observed values, per capita basis

g. Capture of foreign spectrum, the ITU, exploitation of national power for private gain

6. Rights of way, easements, etc.

a. Basic ROW, almost always a product of eminent domain: Streets, rails, highways, canals, navigation servitude with priority and subsidy and freedom from liability, air corridors with overflight privileges, ROW for power lines, phone lines, cable lines, gas lines, water lines, storm sewers, sanitary sewers, flood-control channels, drainage lines,

b. Shucking off original public obligations; deregulation; privatization

c. backup lands: parking, railyards, power-plant sites, tank farms, fuel stations, moorings, truckyards, rest stops, sales yards for autos, trucks, driveways, laterals, container lots, aircraft parking, billboard sites, ...

7. Aircraft time-slots, landing rights, gates, airlines, etc.

a. Value from congestion

b. High unit cost from underuse. Here, user cost equals zero, so benefited landowners must pay it all. E.g. Riverside City Airport. Desired result: abort such airports.

8. Pollution easements, de facto and de jure. Includes contingent easement (Price-Anderson Act), and subsidized waste-disposal. The alternative is "polluter pays," a "green tax," which is a rent charge. (Tax bads, not goods.)

9. Farmlands

10. Recreation lands. Data from ``rural'' Wisconsin, e.g. Vilas and Walworth and Door Counties, showing maximal value of land per person in fashionable recreational areas. Data from Hudson Valley, Berkshires, Taconics, Aspen (Pitkin County), ``beachy'' neighborhoods in S. Calif. and Florida, etc. etc.

I will link this with refuting the common fallacy that ``housing'' expenditures do not rise as fast as incomes. I have data showing that the ratio of housing values to personal incomes rises as incomes per capita rise. As an example, Rancho Santa Fe, in San Diego County, has the highest p.c. income in the U.S.; yet the RATIO of housing values to p.c. incomes in Rancho Sta. Fe is about 10/1, compared with a national average of maybe 3/1.

The Housing Affordability Index of the Nat. Assn. of Realtors gives systematic information of this kind, nationwide.

Another data source are California state tax records, which show that sales taxes collected, relative to property values, are higher in the poorer counties. I published fragments of this in the State Tax Notes, last year - and drew a little fire from another economist. Drawing fire is good: it shows interest, and sparks more interest.

This matter of progressivity is extremely important, because a major barrier to raising property tax rates in general, and land tax rates in particular, is the belief that they are ``regressive.'' Thus, to spare the poor we must spare the rich.

This puts a cap on politically feasible tax rates, which limits the taxable capacity of land. We must overcome this, using hard data. The data, once marshaled aright, is overwhelmingly on our side.

11. Privileged use of congested commons, (Thus, user charges on commons are rent taxes.)

a. City streets: taxi permits; curb parking; access to congested times and areas; preferential traffic controls; vending licenses, de jure and de facto, mobile and stationary; oversized vehicles; surface mass transit; emergency vehicles; cortege rights of way; ROWs for utilities, with rights to stop traffic for digging, etc.

b. Highways: peakload use; exclusive rights to serve, e.g. trucking, busing; accident investigation and clearance;

c. Parks, beaches

d. Air

e. Common waters

- f. Open range (grazing, hunting)
- g. Pre-leasing exploration
- h.

12. Territorial franchises

- a. Publicly granted: bank charters; concessions at parks; utility franchises; liquor licenses; gambling licenses
- b. Privately granted: dealerships; leases that bar competition;

The Minor:

- 1. Privileged access
- 2. Wildlife habitat zones
- 3. Misc. energy sources: geothermal, wind, solar sites, firewood, adiabatic sites, tides, currents,
- 4. Zoning
  - a. Unaccounted-for zoning losses (see Zoning file, #5).
  - b. Exclusive use zones, e.g. foreign trade; tax-preferred zones, e.g. Agua Mansa industrial zone, urban redev. zones (clear case of ATCOR); dumpsites; commercial zoning;
  - c. Variances with grandfather protection
- 5. The gene pool: seed patents; natural herbs, medications; breeding stock
- 6. Quotas, allotments to produce or sell
- 7. Limited liability?
- 8. Licenses to produce goods or services that are generally prohibited: nuclear materials; medicinal drugs; pharmacies; alcohols; undertaking & burial; law; barbering; teaching (sometimes); gambling, liquor, prostitution;
- 9. Monopoly, with or without government support. How recognize? Wherever price discrimination is practiced, or might be.

8. Aspects of advertising: intruding without leave on public's limited attention span, downgrading associated experiences. Billboards, commercials on media, phone solicitations, junk mail, roadside lights, newspaper ads, skywriting, sound trucks, etc.

9. Easements for views, air rights, etc. Also the converse: permission to build or maintain eyesores, like the transmission tower on Twin Peaks, S.F.; overhead wires;

10. Moorings. Foreshore land has high premium value from water access, but in addition, space on the water itself has another value.

11. Orbits. The geosynchronous orbital band is assuming a value. LEO satellite orbits.

12. Some patents which are indirect means of dominion over natural resources. Shale oil extraction techniques; coal liquefaction; etc.

13. Other ...

## II. Land value increments

### A. Increments as current income

B. Major sources: unripe minerals; speculative land at expanding "ecotones"; lands newly annexed to city, or placed under U.S. military protection; all forms of permanent land when incomes rise; all resources acquired with rent-seeking motivation; fall in income and property tax rates as cause;

C. Size of changes. Data from Japan, Australia, RRA, U.S. farming, Korea, Norway, U.S. cities 1920s (Hoyt), Taiwan, etc.

D. Preferential income-tax treatment of increments.  
(Details in appendix.)

E. Factitious "capital gains" from overdepreciation.  
(Details in appendix.)

F. Concentration of increments. Land as a "superior good."  
Possibility of higher tax rate.

### G. Relation to corporate shares increments

H. Property tax as a tax on current increments (details in appendix).

### I. Increments in public equity in land

### J. Adjustments for inflation, up and down

### K. Cautions.

Only net increments are net income; beware of recognizing one and ignoring the other.  
Increments may be unstable

## III. TAXABLE SURPLUS AND RENT

A. Proposed ATCOOR principle (All Taxes Come Out Of Rent).  
Modify to MTCOOR. Converse: in a tax free society, rent rises.  
Modify again to "The Equity Position of Land," thus take account of benefits of public spending, as well as taxes.

B. Raising the t.r. to offset smaller base. (Math examples in Appendix, based on property tax alone: one for buildings; one for timber.)

C. Advantage of unavailability of land-based taxes.  
(Other tax bases are escapable, resulting both in revenue losses and twisting incentives.)

#### IV. EFFECTS OF RELIEF FROM EXCESS BURDENS

A. Standard excess burden: Harberger's little triangles cause researchers to give the appearance of dealing with excess burden, while actually biasing their findings to minimize or trivialize it.

My preferred approach is to analyze the effects of non-land taxes on the "highest and best use" of land. This entails assumptions, generally realistic, that the supplies of labor and capital, and the demand for the product, are elastic, at each site. It also allows for considering "quantum" leaps from lower to higher land uses when we stop taxing sales, labor, and capital.

My approach differs from that of Tideman and Plassmann, which is based on Harberger triangles, causing T&P, in my view, to understate excess burdens. They are aware of my views - we have a friendly exchange of views on the matter from time to time. Their approach has the advantage of being more conventional and conservative, so it is a good wedge to slip into the brains of other economists.

I used this approach in the paper I gave to the Duma meeting, 3-4 years ago. Since then I have improved on the exposition, and it is all ready to include as a module in the proposed book.

B. Earlier renewal of sites. I have published at length on this, with good receptions.

C. Effect of tax change is to compact settlements; effect of compacting is greater synergy, positive spillovers.

D. Relief from unemployment effects; extended effects therefrom.

E. Effects on capital formation (cite Feldstein, Solo; appendix from Gaffney).

F. Relief from rent-seeking diversions of capital

G. Bypassing credit rationing, and its reallocative effects on land markets (detail in appendix).

H. Relief from various forms of wasteful govt. spending

I. Rising growth expectations (growth of population, of capital, of income) and their effects on land rents and prices.

J. Removing ceilings from property tax rates (neutrality coupled with progressivity)

V. AVOIDING DILUTION OF GAINS BY IMMIGRATION.

A. A family of user charges (cite Netzer, and my article "Tapping rents after Prop. 13.") Some user charges and green taxes are George-friendly: they collect rents under congestion. They inhibit wide-open immigration without regard for marginal costs.

B. Rise of pop and cap holds up rents - the Feldstein-Solo Effects.

C. Rise of synergy, division of labor. Example of long California boom, 1945-78. Key is good social organization: "association in equality."

VI. DAMPING BOOM/BUST CYCLES.

Use appendixes. Stability of revenues.

Copy

ALTB - Ideas

1

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6 Sept 93

Dr. Alice E. Ingerson  
LILP, 113 Brattle Street  
Cambridge, MA 02138-3400

Dear Alice:

Before I spend time polishing up these notes, I am sending you what I have, for you to scan and evaluate for your purposes. These notes encompass more than an "Introduction" proper, obviously. I can no longer remember which ones I used in this session, and which I used elsewhere. Some I did not use at all.

Let me know the parameters, and I will try to oblige.

Faithfully,

A handwritten signature, likely of Mason Gaffney, consisting of stylized initials and a surname.

DRAFT AND NOTES: NOT FOR DISTRIBUTION OR ATTRIBUTION

Research Needs, 9:10-10:15A, Wednesday 7/21

Theme: Think big to heal America.

Our peculiar virtues: Georgists today have a virtual monopoly on thinking big, on thinking community. They are one of the few groups of people in the economic policy dialogue who think selflessly of the general good: many well-financed publicists are flacks, depending on "rainmakers" who cater to wealthy patrons, their dogmas or their interests.

How small and narcissistic are the topics that engage others:

I. What political conventions do: Trivia, diversions, equivocation, mudslinging, and special interests. (Republicans and Democrats both are beholden to a few big campaign contributors, including foreign sources.)

II. What academicians do

A. Molding thought is extremely hierarchical. Most teachers and researchers look in the direction they think is upwards, follow the leads they get from there. (Business and the market are much more democratic. New breakthroughs come from small, upstart businesses.) Most economic "thought" is dogma-driven, rationalizing trendy views that were yesterday's fallacies, and will be tomorrow's.

B. Outside interests take an active interest in any group that deals with live political issues. E.g., when I opposed peripheral canal, resource ecs. was taken from ecs. dept. Was turned over to College of Agric., to people who had written very little, but what they did write was premised on this: no groundwater conservation policy can be considered that fails to raise l.v. in Kern County. (That's where the heavy political hitters own land.)

When I was chair, pressure from ag campus not to hire IPM man who wouldn't play ball. Unsolicited.

Moral: independent sources of grad instruction get suppressed.

C. A few places set styles, these become defined as the discipline. They are self-validating, their own voucher. They guard the gates of learned journals, etc.

D. High premium on obscurity and irrelevancy. People learn it is the safe retreat. Remember the student demand for policy relevancy? The students lost. The only relevancy is re business management, and that, too, has been lost.

E. Prof. meetings, more promise. You can organize a session there, select your own speakers, develop a topic. However, the sheer weight of numbers usually keeps you from making an impact on most of the people there, who are products of the system. A sterile priesthood.

To give you an idea, list topics given at WEA meetings, SF, July, 1992. This is what academicians do when they are talking with each other. They come on as Milquetoast backroom boffins, necromancers, dreamers, careerists, and escapists. Examples follow:

1. Nothing on Calif. fiscal crisis, the most urgent, obvious, glaring economic problem facing policy makers.

2. Trendy: many sessions solely on gender issues, the current hot button.

3. Self-serving topics, e.g.  
"Consulting opportunities in forensic economics."

Scandal of economists who draw fancy fees as business consultants, e.g. on baseball salaries.

4. Session on Poverty:  
"Do transition benefits get single parents off welfare?"

"Are employment programs for welfare recipients effective?"

Cf. HG: "We must make land common property."

5. Session on Inequality:

"Spatial variation in minority male joblessness";  
 "Sectoral causes of wage inequality";  
 "Health insurance as a barrier to employment for  
 female heads";  
 "Racial composition and wages: a longitudinal  
 analysis";

"Earnings inequality among women";

"Wage inequality among young workers."

Wage inequality: big deal! Muhammed Ali had more  
 insight: "I don't want blacks just to be pilots; I want blacks to  
 own those airplanes!" Cf. HG, who had even more: "The great  
 cause of inequality in the distribution of wealth is inequality  
 in the ownership of land ..."

#### 6. Session on Unemployment:

"Should 'quitters' get unemployment insurance?"

"Duration of unemployment, recall, and industrial  
 mobility."

Cf. HG: " ... "

#### 7. American decline? Nothing, they never heard of it.

Shall we then expend major effort on missions to the  
 academic economists? Some, yes, but don't expect mass  
 conversions. They are too conflicted, too timid, too bought out,  
 etc. There are more fertile fields. For example, many  
 practising politicians and journalists are more immersed in  
 Georgist issues than academicians: they are the essence of  
 politics and current economic events. George himself, after all,  
 was both.

The best of academicians know what we are saying, at least  
 in part, it is true. Viz. the Gorbachev letter. Most of our  
 signers, however, waited until they were retired before coming  
 out of the woodwork.

NOTE TO ALICE INGERSON. Article III, following, is in my notes, but was not spoken at the meeting, out of courtesy to my invitee, Bob Einsweiler, who had come in good faith, not to be attacked. It is, obviously, a criticism of LILP, among others (The Urban Inst., Brookings, Resources for the Future, etc., are also on my mind). I will understand if you prefer not to publish it. On the other hand, you may want to open this kind of dialogue. I leave it to you.

III. What institutions do: the bland leading the bland.

Noncontroversial meliorism.

Repeated themes: "it's not simple, there is no simple solution."

"Need to balance community values with preferences of individual property owners." (Non-property-owners can go fish, apparently.)

"Respected scholars."

"Call upon committees of outstanding scholars for guidance and counsel." Implication: are getting direction from the best. Fallacy: the instn first decides who is "outstanding" and "respected." If they are able to make that judgment, they should also be able to bypass these committees and get on with it.

Its practioners think they are enlisting the judgment of "the best and the brightest," like LBJ in Vietnam, but the effect is like rule by committee: a consensus approach, leading to rule by the lowest common denominator. Worse than that: this approach overlooks corruption, decadence, intimidation, and arid, offputting, defensive, irrelevant scholasticism of the administrator-dominated academic establishment.

Sad history of TRED. Originally a vital, dedicated organization, spinning out a substantial Georgist literature for academics. Major error: seeking acceptance, "respectability"; undervaluing dedication, commitment to Georgist goals. We put blind faith in "academic freedom," not realizing to what extent that is a myth. Why is it a myth? Cf. the observations supra, on how academic opinions are molded.

What we got was too many wrongly motivated careerists. Our very success began attracting people who wanted to join us because we were successful, rather than because they shared our views and goals. When the old guard died off, they kidnapped the organization, and turned it into just another ordinary venue for ordinary, safe, "respectable" views. In this, sad to relate, they were encouraged and led by the patron, which assumed more and more control, and conspicuously recognized and rewarded our

least dedicated members. Indeed, it is worse: they didn't just become indifferent to George and John C. Lincoln, they became downright hostile, because they felt the pressure and reacted to it. Perhaps they felt guilty, but that didn't do us any good. You know the old psychological principle, when you wrong someone, it makes you dislike him even more.

#### IV. Thinking Big: what Georgists do, and why the world needs us.

We can do more at these meetings than academicians and institutions ever do. The pot of gold is right in our own back yard. We are the action, because others are derelict. Examples of what we can do follow:

State fiscal crisis: how to raise revenues without driving business away

Federal fiscal crisis: how to run a surplus without destroying jobs

Land reform in LDCs; curing the LDC disease; keeping it out of the U.S.A., too.

Full employment: put the land to work, and jobs will follow

Avoiding depressions: smoothing the real estate cycle

Compact settlement, infilling: let the market work

Countering concentration of wealth, and of economic and political power

Enhancing Environment via efficiency and conservation in resource use

Best use of resources: letting the market allocate land with a neutral tax system

Distributive Equity with Allocative Efficiency and Full Employment, too: we can have it all!

Prosperity without inflation

#### V. Thinking Positive and Practical: from toeholds to breakthroughs

Development districts, enclaves.

Enterprise zones; special improvement districts (e.g. Wendell's);

Local reforms, e.g. Penna, B.C.; exploiting demonstration effect, e.g. in N.Y.

Federal tax reform

Rents and royalties from public domain

Tapping rents after and in spite of Prop. 13.

Assessment reform (case of B.C.)

"Newspaper editors aren't interested in stories that have no 'facts' to back them up." Therefore, to get Georgist message in print, collect facts, marshal facts. E.g., how much Calif. land is owned out-of-town, out-of-state, and out-of-country?

NOTE TO ALICE INGERSON. There follows a list of topics I explored to be covered at our meetings. These are just notes; they might be incorporated in "research needs." Let me know how much you want.

## Topics

### Decline and fall of America?

Paul Kennedy, Otis Graham, authors of America in Ruins (Pat Choate, ...)

Rise of foreign ownership, and foreign influence on politics. Only Americans can vote here, but when politicians depend on money, money votes. (In many water districts, land votes.)

### Mapping land values: powerful visual tool

M. Harris, Rawson, Gwartney, Dunkley, Gaffney,  
Redlands geostatistics firm, McCarthy, Crerar,

### Rewriting economic theory to unearth buried Georgist points

Bishop, Gaffney, J. Henry, Feder, Fuller, Genovese,  
Lissner, Helliwell, Junk, Justice, Lambert, Cobb, Arrow,  
Sandilands, Schmid, Shoup, Teti, Yeager, Harrison,

### Air pollution offset rights: a modern enclosure movement

Jane Hall, Bower, Wadley, Winer,

### Resource revenues and Federalism

McLure, Scott, Helliwell,

### Assessment reform, fast track to tax reform

S. Sapiro, Chair. Kuttner, Paul, Gwartney, Behrens,  
Fusfeld, Clarkson, Hickman, Hodges, Rackham, Back?, Crerar,

### Major sources of rent and taxable surplus

Crerar, Gaffney, Cord, ...

### Fiscal Crisis, California and other states.

Is it real, or just a "squealing pig."

How to meet it.

Beaumont, Gaffney, Musgrave, Arrow, Haughey, Goldberg,  
Kahrl, Bill Kelly, Austerman?, Post, Doerr?, Segelhorst,  
Worcester,

### Special Improvement Districts

Zion, Mischinski, Worcester, Goodall, Vandepol

Mineral rent as tax source

M. Bucovetsky, Paschall, Erickson, Rooney, Norgaard,  
Crommelin, Worcester,

Water as a source of state revenue

Gaffney, Geo. Miller, Billings, Sen. Bradley, Isenberg,  
Frances E. Francis, John Wilson, Brajer, Cannon, Young,  
Schwartz, D. Green, D. Dodson, Redmond, Engelbert,  
Hansen, Riesener,

Georgist Revision of income tax

Musgrave, Denton, Hamrin, Vt. gains tax, Garry Nixon,  
Coyne, Conroy, Sumichrast, Talbert.

Latifundia and environmental degradation

Redmond, Gutierrez, D. Hall, Gene Jones, Strange, NRDC,  
Stern,

Land as basis of concentration

Busey, Gaffney, Boueke, Villarejo, Redmond, Wischemann,  
Goldschmidt, Williams (forest tenures, minerals),  
Carroll, Goodall, Walker, Gottlieb, Meeks, Raup, Samuels, Adams,  
J. Wilson, Schikele?,  
Subtheme: farm depopulation and the urban housing crisis, or  
the enclosure movement redux.  
Geisler, Wood, Raup,

Homelessness and tax policy

Farina, Pastore, Eichler, Redmond, Hendershott, Case,

Prop. 13 as a breach of the social compact

David Shulman

Revitalizing stagnant Georgist funds

Nick Lenten, Carl Shaw, Lin, Margolis (Fels Fund),  
Heavey, Rawson,

Land Speculation and the depression

Harrison, Foldvary, Eichler, Maisel, Dodson, Gobar,  
Shulman, Raup, H. Reuss, Sloniker,

NATURAL RESOURCES

nr mal

Malthusianism

Ehrlich, Simon, Pollard, Earthwatch types, Lorenz,  
Hardin, Andelson,

nr pl

Administering public lands

Williams, Milne, Clawson, Mead, Hyde,

nr timb

Timber: can there ever be order from chaos?

Heller, Hilpert, Craswell, Williams, V. Cook, Hyde,  
Clawson,

nr wtr

Water marketing: toehold for real reform

Gaffney, Kahrl, Cannon, McCleary?, Redmond, Minton, Katz,  
Seymour, D. Green, Moore, Hansen, Mosser (legal nature of  
appropriative claim), Riesener, Henley, Sax,

Influence of George and his movement (esp., pd from 1897-1920,  
history not written)

C. Barker, Brownlee, Henley, Collier, Wunderlich,  
Fuller, Dwyer, Lissner, Ryan, de Mille, Donnelly, Graham,

Effluent charges, a form of community rent collection

Bower, J. Hall, D. Green, Gaskins, Williams,

reg rs

Radio Spectrum

Harvey Levin, Lynn Milne, Tolentino, Van Deerlin,

### SUCCESS STORIES

ss

Enclaves of economic rent

Arden

Mike Curtis,

Fairhope

Gaston,

ss gen

Success Stories

(The 4 Tigers

Treated separately under progress abroad)

Tennessee, Highland School

?

Chile

Strasma, Guillermo Giesse, Magdalena,

Johannesburg

Dunkley, Meintjes, Jacques, Lamont, K. Cook, Gaffney,  
Ahene, Collins,

B.C.

Rawson, Gwartney, Crerar, Williams, Crommelin, Helliwell,  
Nemetz, Nixon, O'Gorman, Crerar,

California Irrigation Districts

Henley, Gaffney, Ruttan?, Clawson?, R. Tideman, Goodall,

Anzac mineral revenues, urban rates

Crommelin, Pitt, Hart, Keall, Lusht, Bird, McAlpine,  
Alberta oil revenues

Shaw, Freeland,

S. African gold revenues

Loots, Franzsen, Lamont,

Alaska oil revenues

Erickson, J. Love, Bob Atwood?, Malone,

Pennsylvania cities

Sullivan, Cord, Coyne, Rybeck, Oates, Simon, Reveal,  
Wachter, Stone,

Wisconsin farming and the property tax

Strasma, Stoner, Wunderlich, Gaffney